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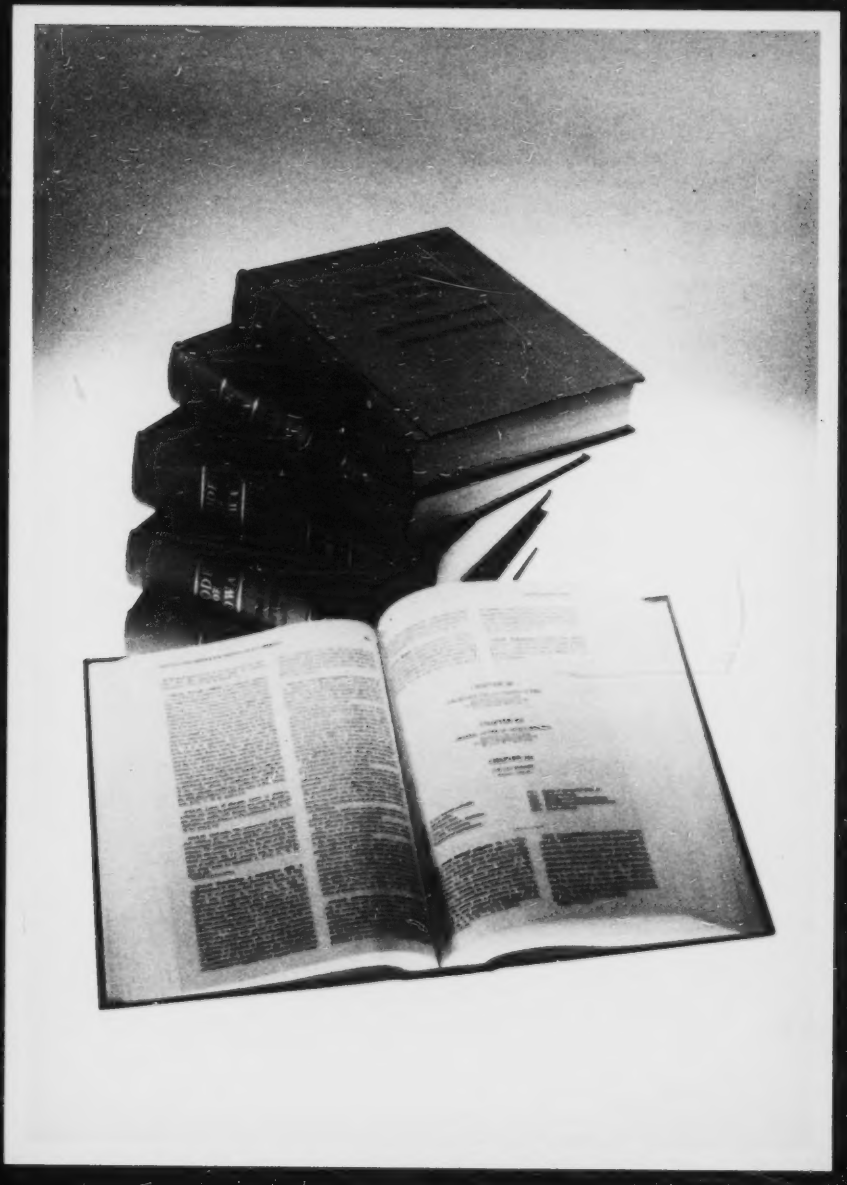
Digest



Legislative Update

WINNEBAGO
expanding Hampton plant

Winnebago Industries Inc. announced plans to double the amount of space it leases in Hampton. Currently, Winnebago's Hampton plant, which manufactures external fiberglass parts for the company's motor homes, is 70,000-square-feet and employs 145 people on three shifts. The additional space should be ready in mid-1985.

DIOSYNTH INC.
purchases Sioux City building

Diosynth Inc., a Dutch firm involved in the production of active ingredients for the pharmaceutical industry, announced the purchase of a 22,000-square-foot existing building. Start-up employment will be 15. Involved in biochemical products, Diosynth chose Sioux City because of the numerous slaughterhouses, a prime source of raw materials. This is Diosynth's second U.S. facility.

KOEHRING CRANES & EXCAVATORS AMCA INTERNATIONAL
consolidates manufacturing operations at Waverly plant

AMCA International Corp. is consolidating all of its Koehring Crane and Excavator manufacturing operations at its Waverly plant. The company will be phasing out manufacturing at its Milwaukee plant over the next six months.

The Waverly plant currently employs 440 persons, and according to Gary Noel, director of industrial relations for Koehring, there are "no specific plans" to add any employees.

Hormel
expands Algona operation

Construction of a 36,000-square-foot addition to the Geo. A. Hormel plant in Algona will increase the total building size by 31 percent, or to more than 151,000-square-feet. The expansion at the company's dry-sausage plant will also include "state-of-the-art" equipment and technology.

The company plans a two-shift operation once the expansion is complete. This is expected to expand the current workforce of 140 employees, but officials did not say how many jobs would be added.

Construction of the addition is currently underway and is expected to be completed by June 1985.

CDS Communications Data Services, Inc.
has chosen Harlan for new plant

Communication Data Services (CDS) has announced plans to build a new facility in Iowa and moving their Bergenfield, New Jersey, operations to the new facility. CDS, who already has a Harlan facility, plans to hire an additional 150 full-time employees, with an additional 150 employees hired during peak periods.

The new 41,250-square-foot facility will be in operation by June 1985.

EPI
MOLDING SPECIALISTS
begins operations in Eldora

A new plastics manufacturer, Eldora Plastics, has begun operations, picking up the business formerly run by the Farmer Bros. Company and acquiring the Lage Uniwad manufacturing business. The purchase included three injection molding machines used to manufacture plastic shotgun wads.

Construction of a new 4,000-square-foot production-warehouse building is underway in the Eldora Industrial Park, with occupation expected by Feburary 1985. After the move, four to six full-time people are expected to be added to the current staff.

HOOF
HOOF PRODUCTS CO.
opening new plant in Maquoketa

Hoof Products Co. of Chicago, an automotive pump manufacturer, will move into the former Kirsch Window Products plant in Maquoketa and is expected to bring as many as 100 new jobs to the city within the year.

The Maquoketa City Council approved the issuance of $7.5 million in industrial revenue bonds to pay for the new manufacturing equipment the plant will use, as well as moving and start-up costs.

Hoof Industries has 18 warehouses nationwide. However, Maquoketa will be Hoof's second manufacturing plant.

Daniel Radiator Corporation
A Handy & Harman Company
relocates in Maquoketa

The Daniel Radiator Corporation of Houston has announced plans to relocate a plant from Chicago to the former General Thermo building in Maquoketa's Timber City Industrial Development Park. The company, which manufactures radiator parts for heavy equipment, is scheduled to begin production early in 1985 with a workforce of about 50 persons.

Campbell SOUP Company

CAMDEN, NEW JERSEY 08101-0391

building mushroom farm in Osceola

Campbell Soup Company announced that its Camsco Produce Company subsidiary will build a large mushroom farm in Osceola, employing around 200 people and producing about 13 million pounds of Campbell's "Farm Fresh Mushrooms" annually. According to Robert E. Miller, general manager of Camsco, the facility will add between $8-9 million annually to the local economy, through payroll and purchases of goods and services.

"I am pleased that one of our nation's major food producers and processors has selected our state for this new plant using the latest technology in providing another taste of Iowa to the people of mid-America," said Governor Terry Branstad.

Miller, who has been working with the IDC in searching for a location, chose Osceola as the site of the new plant because of "its accessibility, thanks to the Interstate Highway System, to the important heartland cities of America, such as Denver, Kansas City, Omaha, Minneapolis, St. Louis, the Quad Cities and Chicago. We'll be able to better serve retail customers in these vigorous markets."

"Another major reason was the community itself," said Miller. Clarke County is the kind of agricultural community we like to operate in. it's in an area of modern agricultural development and we feel our state-of-the-art approach to mushroom growing will fit right in."

The 400,000-square-foot facility will be erected on a 200-acre tract on Iowa 34, near Interstate 35.

Iowa workers increase productivity

High worker productivity is near the top of the list of major factors affecting the choice of new manufacturing locations and when Iowa workers are compared to the national average, manufacturing is getting more than a day's work for a day's pay . . . a lot more!

The productivity figures published in the "1984 Report on The States" of *INC.* magazine shows Iowa workers are 33% more efficient than the national average. In terms of a day's pay, they give one and a third day's work.

U.S. workers average $42,260 in value added per year, according to the *INC.* survey, while Iowa workers rack up $55,900 per year in exceptional productivity.

Iowa worker productivity was also up in the 1984 survey. The previous survey in 1983 reported value added per year for Iowa workers at $47,200.

GENERAL ELECTRIC

adds employees to Burlington

General Electric Company will move its low voltage switchgear production to Burlington next year. The consolidation of low voltage production with the medium voltage manufacturing already done in Burlington could "potentially have a positive impact on jobs in Burlington," stated Plant Manager Roger Greene. However, he declined to speculate on the numbers.

The company's restructuring and consolidation program is designed to improve the productivity and efficiency of its construction equipment businesses in the face of sluggish growth and increased competition in the global market.

The company is nearing completion of a $5 million addition to the plant which next year will be tooled up to make vacuum interrupters, the "heart" of the firm's Power/Vac switchgear.

Outlook for better jobs

Another bright spot in the Iowa economy is the number of Iowans expected to be employed in skilled labor positions next year, which are generally better paying jobs. Analysts for Job Service of Iowa are projecting employment of 112,124 persons in the skilled labor force in 1985. That compares with a skilled labor force of 105,569 for 1983. Neither figure includes self-employed skilled laborers.

Tax information

reprinted from *Tax News*, Vol. X, NO. 11-84, Iowa Department of Revenue

Election to include investment in computing business activity ratio

For tax year beginning on or after January 1, 1984, Department rule 730-54.2(2) requires corporations to make a written election whether they wish to include or exclude all investment income except capital gains and the receipts therefrom in the computation of the business activity ratio. The election is binding on all future tax years unless the Director of Revenue grants permission to change the election. If the taxpayer fails to make a written election, the fact that investment income was or was not included in the computation of the business activity ratio is deemed to be the taxpayer's election for all future tax years.

Whether or not investment income which is deemed to be business income is included in the computation of the business activity ratio does not determine whether the investment income is allocable or apportionable.

Generally, if investment income is included in the computation of the business activity ratio, income from intangibles is included in the numerator if the taxpayer's commercial domicile is in Iowa. Interest from accounts receivable is included in the numerator to the extent the taxpayers receives accounts receivable interest from customers within Iowa. Rental and royalty income from property is included in the numerator if the property is located in Iowa or if the taxpayer's commercial domicile is in Iowa and the taxpayer is not taxable in the state where the property is located. All other miscellaneous income is included in the computation of the business activity ratio to the extent it does not constitute a recapture of expense.

Income tax credit for nontaxable motor vehicle fuel

Persons or corporations holding a fuel tax refund permit, who wish to convert to the income tax credit method to receive reimbursement of fuel tax paid on nontaxable fuel must cancel their refund permit within 30 days after the first day of the tax year. For example, a calendar year filer wanting to claim an income tax credit for nontaxable fuel on their 1985 income tax return must have submitted a written request to cancel their motor vehicle fuel refund permit by January 31, 1985. The Department will not allow a claim for income tax credit for nontaxable motor vehicle fuel on the 1984 income tax return if the refund permit was not cancelled within 30 days after the first day of the 1984 tax year.

Additional deduction of wages paid to certain persons

An additional deduction of 50 percent of first-year wages paid by a small business to new employees who are handicapped or convicted felons is new for 1984. To qualify for this deduction, which is in addition to the deduction already allowed on Schedule C for wages paid, a small business must: 1) have had no more than 20 full-time equivalent positions in the 26-week period prior to hiring the qualified new employee; 2) cannot have gross income in excess of $3 million; and 3) the small business cannot be principally engaged in the practice of a profession.

To qualify, the employee must: 1) be handicapped or a convicted felon on parole, probation or work release program; 2) have been hired on or after January 1, 1984; and 3) cannot have been hired to replace an individual who was terminated within the prior 12 months unless such termination was either voluntary or due to misconduct.

Annual interest rate for 1985

Although the annual rate increased from nine percent (9%) to ten percent (10%), the per month rate to be used to calculate interest remains at .8 percent per month due to rounding requirements. This rate applies for all taxes owing or becoming payable during calendar year 1985.

Tax assistance offered

Once again the Department of Revenue will be teaming with the Internal Revenue Service to provide free tax assistance through the Volunteer Income Tax Assistance (VITA) and Tax Counseling for Elderly (TCE) programs. These services will be provided in a number of locations throughout Iowa.

Ordering 1984 tax forms

Income tax forms for 1984 are currently available. Forms may be ordered by telephone or mail. When determining quantitites to be ordered, remember that copies of the tax return and schedules are contained in the instruction booklets with returns, (forms 41-002 and 41-119). Copies of the long form instructions (41-003) contain no forms.

Telephone orders may be placed by calling the Department's recording system which operates 24 hours a day, seven days a week. Individuals outside of Des Moines should call 1/800/532-1531; those in Des Moines or outside Iowa can utilize this service by calling 1/515/281-6775.

Be prepared to provide the following information when ordering: 1) telephone number; 2) name or firm's name; 3) mailing address, include zip code; 4) identification number(s) and name(s) of form(s); and 5) quantity of each form requested.

Income tax forms may also be requested by mail by supplying the above information in writing to: Iowa Department of Revenue, Tax Forms Ordering Center, Hoover Building, Des Moines, Iowa 50319.

National Technology Transfer Center proposed for Iowa

Technology transfer between academia and private industry will be the focal point of Iowa State University's proposed Center for Nondestructive Evaluation. The center, which will be the only one of its kind in the nation, will be jointly sponsored by I.S.U., private industry, The Iowa High Technology Council and the National Science Foundation.

Nondestructive evaluation is of vital interest to industry because it provides the user with the capability of assessing the physical integrity of a material or structure from a set of quantitative measurements. From this, a prediction can be made for the remaining serviceability of the item in question. The direct benefit to industry is achieving productivity gains while maintaining product safety. For example, by putting NDE to work in routine jet engine maintenance, it is estimated that, for one type of jet engine alone, savings of $250 million could be realized in just 15 years.

Industry enthusiasm for the proposed center is so high that representatives from 22 states met to discuss the preliminary plans for the NDE Center on November 19 and 20.

Dr. D. O. Thompson, director of Applied NDE Programs at Iowa State University is spearheading the effort to establish the center. The center will compliment the existing research efforts in nondestructive evaluation in which both Iowa State University and the Ames Laboratory are active.

New technology works with Iowa coal

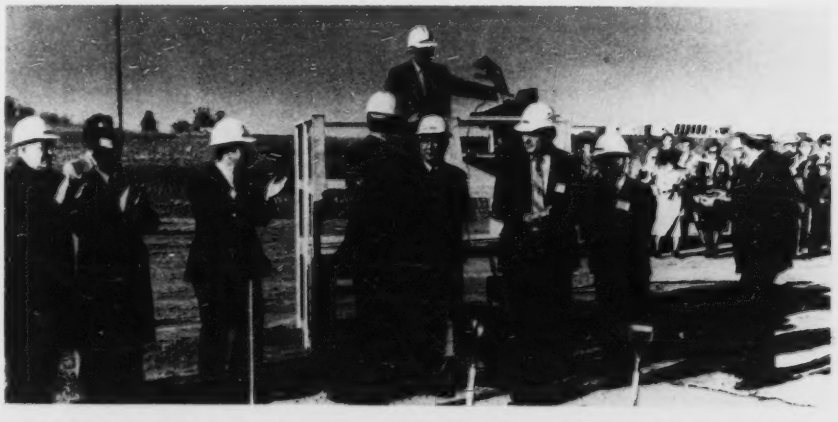
Last November, Governor Branstad released a report which showed that Iowa coal can work with new technology as a clean, efficient and economical energy source for Iowa industries and institutions. The report by the Iowa Energy Policy Council indicates that the $25 million Iowa coal industry could double by 1990 as fluidized bed combustion is adopted.

"This new technology burns high sulfur Iowa coal in a way that removes sulfur contaminants and meets air quality standards," Governor Branstad stated in making this announcement. "We finally have a cost efficient local energy source. The potential impact on our energy costs and jobs for the southern Iowa coal mining area is significant. The Energy Policy Council predicts over 200 new jobs by 1990."

In fluidized bed combustion, a bed of solid granular particles, such as sand or ash, rest on a perforated grate at the bottom of the combustor. Air is forced up through the grate at a velocity high enough to lift the particles into a churning, airborne, solid fuel, such as coal is fed into the combustor. Limestone may also be fed into the combustor. The emission of sulfur dioxide released inside the fluidized bed combustor during the burning of coal can be reduced substantially by the limestone. Sulfur dioxide reacts with the limestone being calcined in the combustor to form a dry, solid waste product which can be easily transported and disposed of in the depleted coal mine. The waste also can be used as an ingredient in concrete products.

The use of Iowa coal has traditionally raised concerns over preservation of valuable farm land. Recent strip mining projects use land reclamation techniques and in some cases improve the productivity of that land. New underground mining techniques are cost competitive with strip mining and reclamation.

Heartland Lysine breaks ground



Officials of Ajinomoto Co., Inc. of Japan and Orsan S.A. of France joined Governor Terry Branstad (left) at the ground-breaking ceremonies for the new $41 million lysine plant of Heartland Lysine, Inc. in Eddyville. Among the official party were (left to right) Paul Dupre, president of Orsan S.A.; Guy Dham, director of Eurolysine S.A.; Governor Branstad; Bertrad Collomb, chairman of Orsan S.A.; Katsuhiro Utada, president of Ajinomoto Co., Inc.; Sam Smith, project manager; Kenji Shigenobu, president of Heartland Lysine, Inc.; and Ronald Richards, mayor of Eddyville. Robert W. Larson, president of the Albia Industrial Development corp., shown here at the microphones, served as master of ceremonies.

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Legislative Update

At the December 6 meeting, the members of the Iowa Development Commission approved the following policy statements pertaining to the 1985 legislative session. These statements were the result of staff work and recommendations by the IDC's Legislative Committee. Some of the policies are being presented to the legislature for the first time this session, while others have been part of the IDC's legislative agenda in the past.

Legislative action on these proposals would aid the IDC's marketing efforts and provide a more inviting business climate. If you have any questions or comments, contact Linda King Kading, government and internal affairs manager of the IDC.

Eliminate machinery and equipment dual tax definition

Background — Currently, industrial and agricultural machinery and computers are defined as personal property at the time of purchase and are, therefore, subject to Iowa's 4 percent sales and use tax on the purchase price. When the equipment is installed or secured, this same equipment is defined as real property and is subject to property tax. Nine of the twelve states with which Iowa most directly competes (see map below) in the area of economic development have a sales tax exemption on manufacturing machinery and equipment, and two of these states exempt the equipment totally from property tax. In contrast, Iowa taxes the equipment at 30 percent of assessed value.

Policy statement — The IDC supports lowering the tax burden on manufacturing machinery and/or by reforming the sales and use tax laws that affect manufacturing machinery and/or by reforming the property tax laws on manufacturing machinery.

Personal property tax phase out

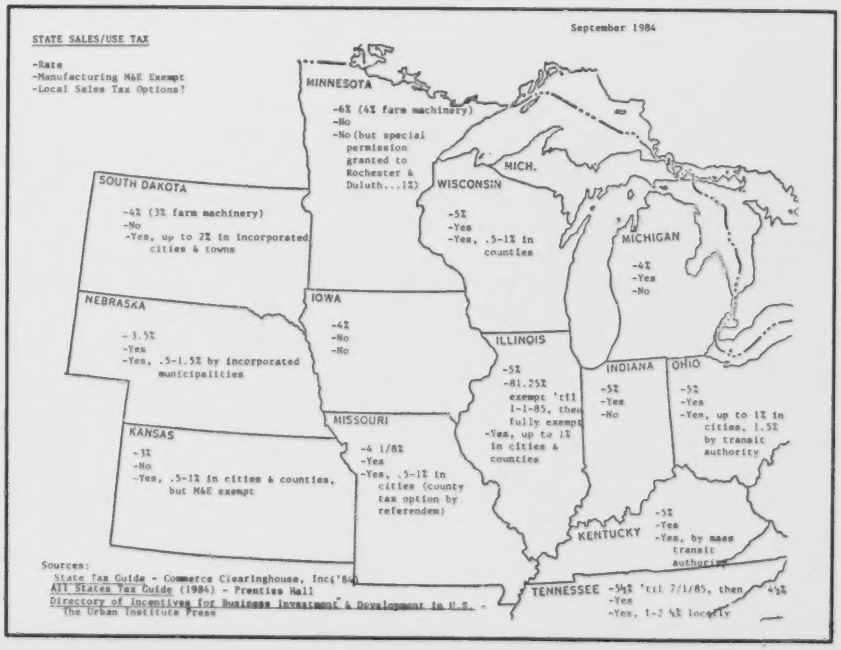
Background — In 1974, Iowa began a program to phase out the personal property tax over a ten year period. That law stated that each successive step would occur unless state revenue growth dropped to below 5.5 percent. However, the lower revenue growth and legislative action delaying the next step have resulted in only five of the ten steps being completed. This leaves a group of larger businesses still paying the tax and has accentuated inequities between taxing jurisdictions .

Policy statement — The IDC is concerned that past delays in phasing out the personal property tax has been detrimental to economic development marketing efforts and reaffirms its support for the complete phase out of this tax as soon as possible.

Enterprise zones

Background — Currently, 22 states, including seven of Iowa's twelve major competitor states, have passed legislation establishing enterprise zones. While the details of the specific programs differ, they generally provide various tax and economic development incentives for businesses locating or expanding in designated economically depressed areas. An amendment was proposed in the House last year which would have provided either property, income or sales tax assistance to new or expanding firms in "economic development areas" approved by the IDC. While all sized firms would be eligible for the incentives, they are targeted toward small business. Legislation establishing enterprise zones would provide Iowa with another economic development marketing tool and make us more competitive with other states.

Policy statement — The IDC supports enabling legislation establishing enterprise zones which would provide incentives, such as property, income and sales tax benefits, to businesses locating or expanding in designated areas in urban and rural sections of the state.



Venture capital

Background — Legislation was considered by the 1984 Legislature to allow insurance companies, banks and savings and loan associations to invest up to five percent of their assets in venture capital firms whose principal business is the making of investments in small businesses. The language was approved by both the House and Senate but was part of a broad economic development bill which died the last day of the session. This allowable language could result in more funds available for venture capital firms which can be high growth companies.

Policy statement — The IDC supports passage of legislation to allow insurance companies, banks and savings and loan associations and fiduciaries to invest up to five percent in venture capital firms whose principal business is the making of investments in new and emerging businesses, and to have those investments declared as assets.

Unemployment insurance shared work program

Background — Some states (i.e., California and Arizona) have implemented programs which provide employers with an alternative to laying off workers. For example, rather than laying off 20 percent of the workforce, an employer may choose, in cooperation with the employees, to reduce every employee's hours by 20 percent — from a five day to a four day work week. Workers are then allowed to collect unemployment benefits based on 20 percent of their normally allowed benefits. The employer is thus able to maintain an experienced workforce for when full production is resumed. Workers experience only slight reductions in pay while no individual is faced with a complete loss of salary, benefits and seniority. It is important that any program be voluntary and require the agreement of both the employer and the employees.

Policy statement — The IDC supports the concept of a voluntary unemployment insurance shared work program as a means of providing an alternative to layoffs. Such a program can be beneficial to both employers and employees. Therefore, the IDC urges the Legislature to enact an unemployment insurance shared work program in Iowa. We further encourage the Job Service Advisory Council to reconsider their position.

Job Training

Background — While the HF 623 program has been very effective as an economic development marketing tool, there are some additional areas which could benefit from this program. Some small businesses have problems qualifying for the program now because of the small size of the issues. Assistance is needed to retrain workers put out of work because of technology advances.

Policy statement — The IDC supports broadening of the state jobs training program to aid small businesses with training needs that require only small issue certificates and to aid displaced workers.

Interstate Banking

Background — The Federal government is examining the issue of bank deregulation, and several states have passed legislation allowing interstate banking, usually on a regional basis. A regional banking proposal was debated last session by the Iowa Legislature, but it did not become law. Interstate banking could be helpful to Iowa's economic development efforts.

Policy statement — The IDC urges the Legislature to consider the present restrictive nature of the geographic limits of Iowa's banking laws and their inhibiting effect on economic growth, and take steps to make Iowa more competitive.

Uniform school opening date

Background — The tendency to begin the school year earlier in August has an adverse effect on the travel and tourism industry. It is estimated that by beginning after Labor Day, there would be a $35 million increase in economic activity, resulting in at least $1.5 million in increased state and local taxes. The Iowa Travel Council has been active in supporting a post-Labor Day, or at least September 1, school opening date. The bill passed the Senate last session, but it did not come to a final vote in the House.

Policy statement — The IDC encourages the Department of Public Instruction, appropriate legislative committees, local school boards and colleges and universities to evaluate the opening dates of school and consider a post-Labor Day guideline to ease the pressures created by the traditional vacation-time sought by families and to further enhance the viability of the tourism industry.

World Trade Center and export assistance

Background — The IDC has long supported efforts to increase Iowa exports. Last legislative session, the IDC supported the World Trade Center, as well as other exporting assistance.

Policy statement — The IDC believes a World Trade Center emphasizing food production and distribution would stimulate the economic development of Iowa by increasing exports, attracting food production and processing businesses and services, increasing retail trade and commerce, increasing tourism and improving agriculture programs and policies. The IDC would actively become involved in the location and development of such a World Trade Center.

The IDC recognizes the importance of increased exports to the Iowa economy as emphasized in its long-range plan. Consistent with this goal, the IDC encourages private and public initiatives to increase exporting of both agricultural and manufacturing products such as through a World Trade Center or Meat Export Center.

Tools & Trends discusses strategic elements in economic development

One of the South's most effective marketing experts was featured at "Tools & Trends in Community Marketing," the IDC's seminar for economic development, held in Des Moines at the end of November.

With over twenty years of experience, Larry Cohick noted the South's inherent advantages that facilitated transformation from a poor neighbor to a super-competitor.

But Cohick also emphasized strategic elements that weren't inborn, yet have become critical in the South's rise to glory: an aggressive business climate that stresses cooperation between the private and public sectors; and aggressive advertising by individual Southern states that puts Iowa's ad commitment to shame.

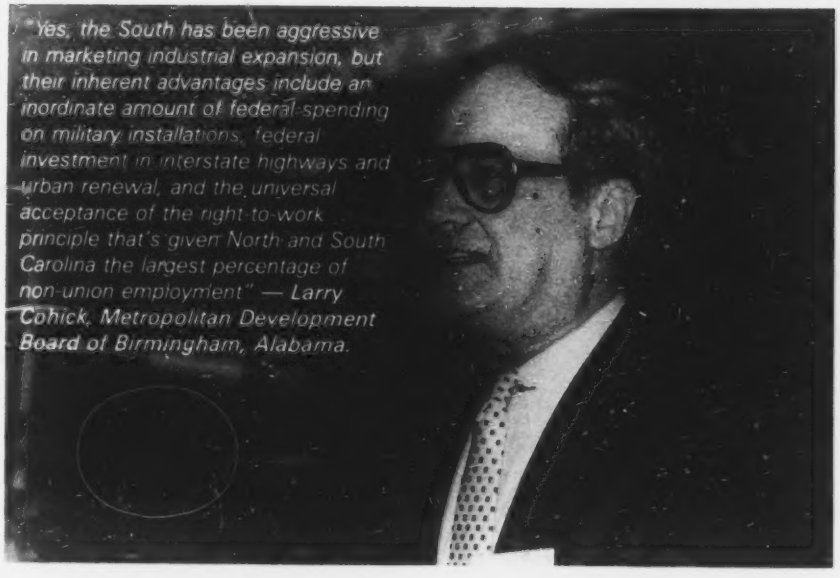
Cohick's prophecy for the future? More technical information will be used in economic development. Avoid specialization as we become generalists in order to keep up-to-date on rapid sociological and technological changes. And don't lose sight of the human values that statistics can't ever replace.

"New federal restrictions on Industrial Revenue bonds are uniquely advantageous to smaller companies" ***— Bob Helmick of Belin, Harris, Helmick, Heartney & Tesdell, a Des Moines law firm.***

"The new Community Development Block Grant offers as little as one half prime rate for projects to which this financing is critical. Applications are accepted quarterly by OPP. Iowa is the only state to offer this program" ***— Jim Lynch, OPP.***

"Property tax exemption applications must be filed prior to January 31 of the first year of qualification. This benefit is available to service and distribution companies as well as manufacturers" ***— Dick Sorenson, IDC.***

"It's clear that ads placed by individual Iowa communities benefit the whole state" ***— Bob Stapleton, Clinton Area Development Corp.***



"Yes, the South has been aggressive in marketing industrial expansion, but their inherent advantages include an inordinate amount of federal spending on military installations, federal investment in interstate highways and urban renewal, and the universal acceptance of the right-to-work principle that's given North and South Carolina the largest percentage of non-union employment" ***— Larry Cohick, Metropolitan Development Board of Birmingham, Alabama.***

Awards for outstanding site data

The search for a new plant includes considerations of region, raw materials and labor. But sooner or later (very often, sooner) the focus is on finding a site or a building that meets specific needs. The perfect location may in fact be available, but unless there is comprehensive, descriptive information on the site, the golden opportunity may be lost.

"Available buildings are critically important to expanding manufacturers that have job orders in hand, waiting for their new plant to begin operations . . . Iowa has plenty to offer manufacturers looking for the small town advantages of land and labor value" ***— Jim Stratford, GENPAK, Rochester.*** *(GENPAK's Iowa Falls plant was built to order, after a search failed to locate the appropriate facility.)*

Recognizing the importance of site information to economic development, the Iowa Development Commission sponsors an annual Site Information Award program to recognize excellence. The 1984 winners were announced at "Tools & Trends in Community Marketing:"

In communitues under 10,000	In communities over 10,000
Humboldt	Cedar Rapids
Red Oak	Mason City
Sheldon	Waterloo

In addition, Clarinda and Indianola were recognized for improvement in preparation of site information.

Governor Terry Branstad, who presented the awards, commented, "As economic development becomes increasingly competitive, our marketing efforts must become more sophisticated. The communities recognized this evening have set new standards of excellence."

Representing one of the winning entries, Richard C. Berrier, executive director of the Humboldt Area Improvement Corporation, noted, "It's vital that prospects be provided with accurate, concise site information. The IDC Site Information Awards encourage communities to develop these skills and become more competitive."

GSP drops in third quarter as farm income falls

Falling farm income pushed Iowa's inflation-adjusted **Gross State Product** (GSP) downward by 2.2 percent during the third quarter of 1984. Real personal income fell by 1.0 percent during the period.

A nearly stagnant labor market also contributed to the latest declines in both GSP and personal income. Total nonfarm employment rose by 0.2 percent during the third quarter. However, average wages rose by less than inflation during the period, and total wage and salary disbursements fell by 0.3 percent. The other major components of personal income remained fairly stable during the third quarter, except for transfer payments, which declined by 3.6 percent.

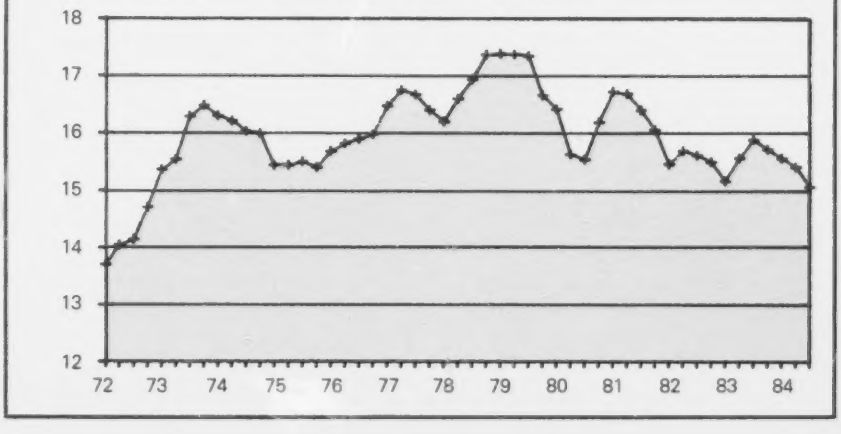
Iowa GSP has declined in each of the past four quarters. The significance of the situation facing farmers becomes apparent when the components of personal income are examined. Since the recent peak achieved during the third quarter of 1983, total personal income has declined, while its nonfarm portion has grown moderately. In fact, since the first quarter of 1984, the agricultural component has been negative and detracted from total personal income.

The outlook for the state's agricultural sector, and consequently much of the nonfarm economy, has not brightened. The U.S. Department of Agriculture expects a decrease in farm income at the national level in 1985. Although the expected export volume of Iowa's two major crops, corn and soybeans, will increase, the dollar value of those exports is expected to be lower because of lower prices. The farm program which was recently proposed by the Reagan administration would halve agricultural subsidies by 1990 and move closer to a market-oriented farm economy. The resulting grain prices would probably be somewhat lower than the prices resulting from the current farm program.

Recent declines in interest rates offer some hope for the state, since falling rates should weaken the dollar overseas. The dollar has weakened somewhat against the currencies of some of America's major trading partners. However, there is still a substantial difference between domestic interest rates and those overseas, and this difference is not expected to decrease enough to have a substantial impact on agricultural export activity.

Iowa Gross State Product

(billions of constant 1972 dollars - seasonally adjusted annual rates)



Selected Economic Indicators

All Series Seasonally Adjusted

	Annual Average 1983	Latest Period	Value	Percent Change from Prior Period	Year Ago	2 Years Ago
Iowa Gross State Product (billions)						
Constant (1972) dollars	15.6	'84 Q:3	15.1	−2.2	−5.2	−3.5
Current dollars	33.6	'84 Q:3	33.8	−1.4	−1.5	3.8
Iowa Personal Income (billions)						
Constant dollars	14.9	'84 Q:3	14.7	−1.0	−3.0	−0.8
Current dollars	32.0	'84 Q:3	32.9	−0.2	0.8	6.7
Gross National Product (billions)						
Constant dollars	1,534.7	'84 Q:3	1,649.6	0.7	6.4	11.7
Current dollars	3,304.8	'84 Q:3	3,701.2	1.6	10.6	20.2
Iowa Composite Indices						
Leading	139.4	October	143.8	−0.9	4.9	11.3
Coincident	128.9	October	132.6	1.0	1.2	3.2
Lagging	128.3	October	133.1	0.1	3.4	4.9

(All indices - 1967 = 100)	Annual Average 1983	October 1984	Percent Change from Previous Month	Year	5-year High	5-year Low
Ia. Industrial Prod. Index	126.8	139.4	0.9	5.2	160.1	116.4
Food & Kindred Products	141.5	142.2	3.0	−1.9	145.7	133.7
Printing & Publishing	165.1	183.2	−0.1	4.7	185.3	154.5
Rubber & Plastics	295.9	351.6	0.0	10.8	363.3	230.2
Fabricated Metals	113.1	120.4	−0.4	2.5	152.6	102.9
Farm Machinery	60.4	70.9	−2.6	15.9	151.8	51.6
Construction Machinery	83.0	111.8	1.7	19.4	190.9	42.1
Electrical Equipment	113.5	121.2	0.6	3.9	147.7	107.4

Nonfarm income rises during second quarter as farm income drops

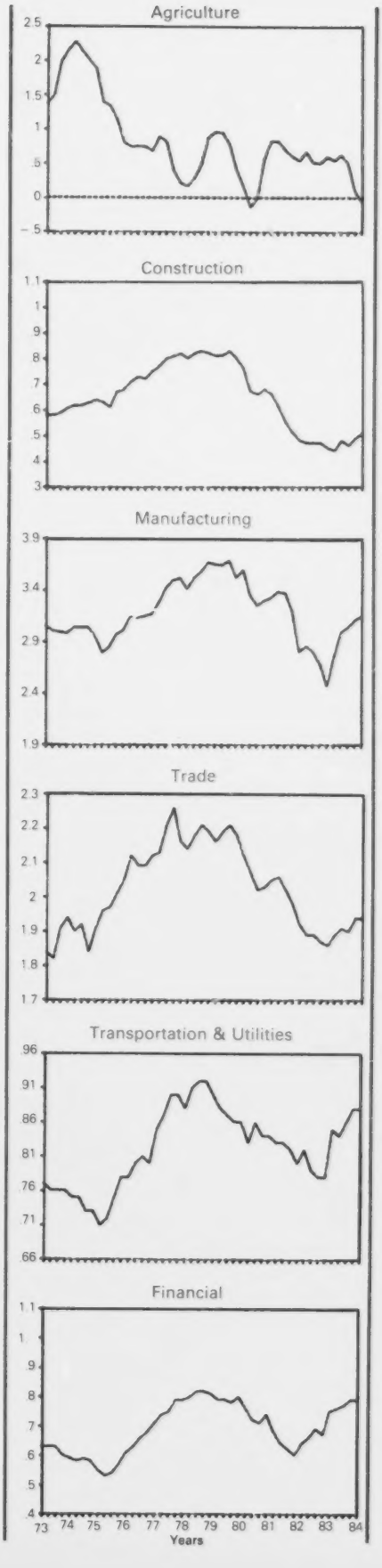
The state's measure of total income declined by 0.7 percent during the second quarter of 1984, largely because of a fall in income from the agricultural sector. The total income estimates include income generated by laborers, proprietors and corporations in the state. Income from the sectors other than agriculture rose by 0.6 percent during the period, showing a growth trend in the Iowa economy that is somewhat less than that experienced by the nation in general. Available estimates of farm proprietor's income for the third quarter suggest that lower crop prices will likely lead to a further decline in farm income during the July through September period for which complete data are not yet available. High interest rates and a strong dollar on world currency markets have led to sluggish agricultural export activity.

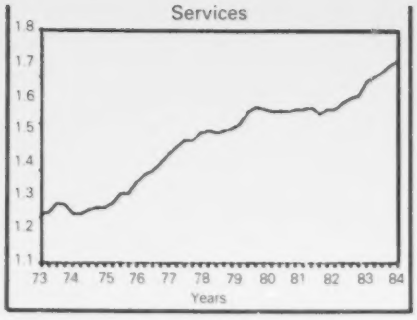
Other components of the Iowa economy showed resilience during the period. Total income generated in the **construction** industry rose by 3.7 percent during the second quarter, with continued reliance on adjustable-rate mortgages helping to support employment and income activity in the homebuilding sector. Incomplete reports on construction activity available for the third quarter are somewhat mixed. While seasonally adjusted estimates of construction employment rose by 4.4 percent during the third quarter, the number of dwelling units included in new construction contracts dropped by 4.1 percent. This may indicate a move from housing construction to business construction activity. Downtown business construction activity in a number of cities illustrates this growth. A recent report by the Federal Home Loan Bank of Des Moines indicates a decline in mortgage lending activity in Iowa during the third quarter. Their report ended with an upbeat note, saying "indications are that the recent favorable trends in interest rates have already helped bring mortgage rates down, and a rebound in lending in the fourth quarter seems quite likely."

During the second quarter, total income originating in Iowa's **manufacturing** industries rose 0.9 percent, marking the fifth

Total Labor, Proprietors' and Corporate Income in Iowa
Seasonally Adjusted at Annual Rates
Billions of Constant (1972) Dollars

	Annual Average				Percent Change from	
	1982	1983	1984 Q:1	1984 Q:2	84 Q:1	83 Q:2
Total Income	10.36	10.63	10.70	10.63	– 0.7	– 0.7
Goods-producing	3.83	3.85	3.70	3.61	– 2.4	– 3.5
Agriculture	0.56	0.57	0.08	–0.06	N/A	N/A
Mining	0.02	0.02	0.02	0.02	0.0	0.0
Construction	0.47	0.46	0.49	0.51	3.7	15.9
Manufacturing	2.78	2.80	3.11	3.14	0.9	14.6
Durable Goods	1.54	1.52	1.76	1.76	0.0	19.7
Primary Metals	0.08	0.08	0.10	0.11	7.6	37.5
Fabricated Metals	0.22	0.22	0.24	0.25	2.7	19.0
Machinery	0.64	0.56	0.66	0.68	3.6	19.3
Electrical Equipment	0.28	0.25	0.27	0.26	– 2.0	– 4.0
Nondurable Goods	1.25	1.29	1.35	1.39	2.4	8.6
Food and Kindred	0.58	0.58	0.60	0.58	– 2.6	1.8
Printing and Publishing	0.22	0.22	0.23	0.23	2.4	4.5
Rubber and Plastics	0.11	0.12	0.14	0.14	3.9	16.7
Service-producing	6.53	6.79	7.00	7.02	0.2	2.9
Transportation & Utilities	0.80	0.83	0.88	0.88	0.0	3.5
Trade	1.89	1.89	1.94	1.94	– 0.2	2.6
Wholesale	0.88	0.85	0.88	0.88	0.2	3.5
Retail	1.02	1.04	1.07	1.06	– 0.5	1.9
Finance, Insurance and Real Estate	0.65	0.74	0.79	0.79	0.0	5.3
Services	1.68	1.78	1.85	1.87	0.8	5.1
Government	1.48	1.51	1.49	1.49	0.3	– 2.0





consecutive quarterly increase. Rising levels of industrial production through the third quarter suggest a stable or growth trend will likely be seen in manufacturing income when data for the period become available. The manufacturing firms producing nondurable goods exhibited the greater strength and saw income gains totaling 2.4 percent in the second quarter. These firms manufacture food and chemical products, printed materials, and other items which generally have a short useful life. Within the durable goods portion of the manufacturing sector, income gains in firms producing primary metals, fabricated metals and machinery were offset by declines in firms that manufacture electrical equipment and other durable goods.

The state's **service-producing** industries showed a modest 0.2 percent increase in income generated during the second quarter. Since employment and income in these industry groups are largely dependent on manufacturing and agricultural income, the relatively slow rate of growth came as no surprise.

Income arising from the **transportation, communication and public utilities** sector showed no significant change during the second quarter, although these industries had income gains during each of the preceding two quarters. Their earlier growth was apparently a result of earlier increases by the state's manufacturing industries. Manufacturing activity is a major determining factor in the demand for the transportation and warehousing services which make up a significant portion of this industry group.

Total income originating in the **trade** industries fell slightly during the second quarter, when an increase of 0.2 percent in wholesale trade income was more than offset by a decline of 0.5 percent among the retail trade industries. Employment in the trade sector dropped slightly during the period, and state retail sales tax receipts also declined after adjustment for inflation. The declines during the second quarter were expected following the slower economic growth foreseen last December with declines in the state's index of leading economic indicators.

The **financial** industry, which includes finance, insurance and real estate firms showed no growth during the second quarter on the heels of four quarters of growth for the sector. Falling interest rates evident through the third quarter will affect the income of this industry and will result in a period of adjustment for these firms. Income from the real estate portion of this sector should be helped by a period of lower interest rates. Financial institutions have cushioned themselves somewhat during the period through the promotion of adjustable rate loans. Use of this type of loan to finance purchases of automobiles is becoming more common across the nation, although the extent of its use in Iowa has yet to be determined.

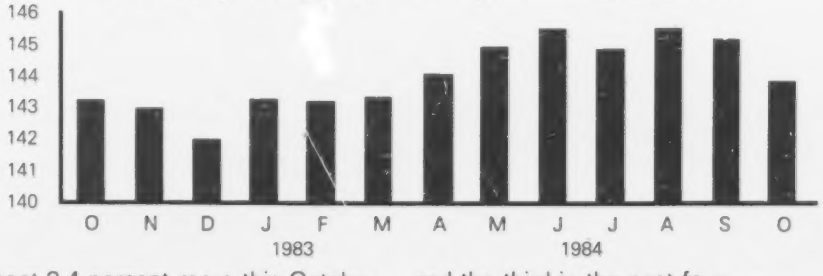
Service industry income in Iowa grew by 0.8 percent during the second quarter. These industries have been amazingly stable throughout the recession, showing no significant income decline and some growth since the final quarter of 1981. During the third quarter, employment within this sector declined slightly.

Economy grows in October

A 1.1 percent increase in Iowa's nonfarm jobs during October, coupled with a 0.9 percent increase in manufacturing activity, caused the **Iowa Index of Roughly Coincident Economic Indicators** to rise 1.0 percent for the month. This index is designed to reflect changes in the economy as they occur.

The October employment increase occurred largely as public schools in the state continued to hire workers for the fall term and brought the state's total pool of employed workers 0.7 percent above its year-ago level. Modest employment gains were also registered by the goods-producing sector and the private portion of the service-producing sector. The jobs gain was reflected in state sales tax receipts as Iowans spent 3.4 percent more this October than October of 1983. This trend should be good news for Iowa merchants as they approach the Christmas selling season.

Iowa Composite Index of Leading Economic Indicators



Slumping residential construction activity and a rising level of first-time claims for jobless benefits pushed the **Iowa Composite Index of Leading Economic Indicators** downward by 0.9 percent in October. This latest change was the second consecutive monthly decline and the third in the past four months. This index was designed to help assess the short-term outlook for the state's economy. Of the five economic indicators included in the index, four exerted downward pressure on the composite in October.

The Iowa Composite Index of Lagging Economic Indicators rose by 0.1 percent in October, as two of the three indicators included in the index rose for the month.

JOB SERVICE OF IOWA

Labor Market Information

Richard Freeman, Director

Ann Wagner, Labor Market Analyst

State Unemployment Follows National Trend

Iowa's labor force rose to 1,376,000 in October, a gain of 15,300 from the previous month. The seasonal influx of workers into agriculture, meat packing, retail trade and schools was largely responsible for the monthly increase. The labor force totaled 1,377,800 one year ago.

The statewide unemployment rate declined steadily during the year, and was reported at 4.1 percent for both September and October. The number of jobless Iowans was estimated at 56,100 for October. This level compared with 55,300 for September, and 60,500 for one year ago.

Ten-month jobless figures placed the state's unemployment rate at 5.0 percent. The average represented 67,700 unemployed persons out of a statewide labor force that totaled 1,360,400. For the same period of 1983, unemployment was reported at 6.3 percent.

Total employment in Iowa stood at 1,320,000 in October, an increase of 14,500 from September and 2,800 from the same period one year ago. A major share of the annual increases occurred in the nonmanufacturing industries.

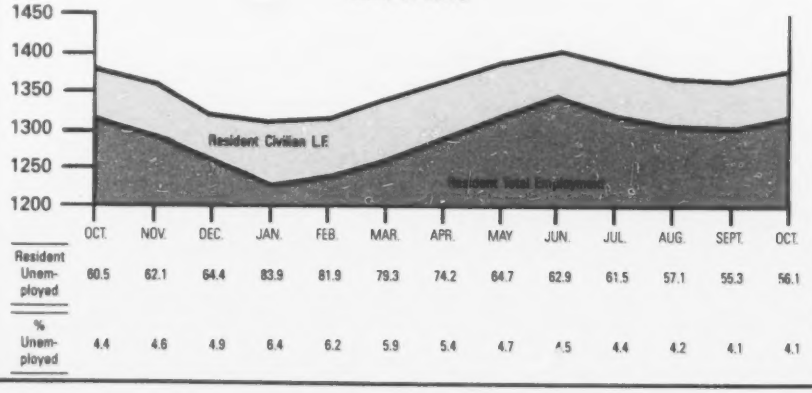
An overview of industry trends for the past year revealed a mixed employment picture for the state. In durable goods manufacturing, transportation equipment and primary metal products accounted for most of the new hire activity. Nondurable goods manufacturing lost jobs due to temporary and permanent plant closings in meat packing. In the nonmanufacturing sector of the economy, workers were added to construction; finance, insurance and real estate; and government. The services, a traditionally strong growth area within nonmanufacturing, were adversely affected by the widespread layoffs in health services.

Iowa Labor Force Summary
(In Thousands)

	Oct. 1984	Sept. 1984	Oct. 1983
Resident Civilian Labor Force	1,376.0	1,360.7	1,377.8
Resident Unemployed	56.1	55.3	60.5
Percent Unemployed	4.1	4.1	4.4
Resident Total Employment	1,320.0	1,305.5	1,317.2
National Unemployment Rate*	7.4	7.4	8.8
Iowa CPS Unemployment Rate**	5.8	5.8	6.0

*Seasonally adjusted rate.
**Current Population Survey (CPS) rate should be used for federal and state funding purposes.

Labor Force, Employment, Percent Unemployed
Oct. 1983 thru Oct. 1984 (Non-CPS)
State of Iowa



	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEPT.	OCT.
Resident Unemployed	60.5	62.1	64.4	83.9	81.9	79.3	74.2	64.7	62.9	61.5	57.1	55.3	56.1
% Unemployed	4.4	4.6	4.9	6.4	6.2	5.9	5.4	4.7	4.5	4.4	4.2	4.1	4.1

Iowa Nonagricultural Wage and Salary Employment
Place of Work Data - In Thousands

	Oct. 1984	Sept. 1984	Oct. 1983	Net Change From Sept. 1984	Net Change From Oct. 1983
Total Nonagricultural	1,050.4	1,041.2	1,037.7	9.2	12.7
Manufacturing	208.4	207.9	207.0	0.5	1.4
Durable Goods	119.7	120.2	117.6	−0.5	2.1
Nondurable Goods	88.7	87.7	89.4	1.0	−0.7
Nonmanufacturing	842.0	833.2	830.7	8.8	11.3
Mining	2.2	2.3	1.9	−0.1	0.3
Construction	45.8	46.4	42.1	−0.6	3.7
Transportation, Communication & Utilities	49.7	49.8	49.9	−0.1	−0.2
Trade	261.6	261.2	261.8	0.4	−0.2
Finance, Insurance & Real Estate	61.4	61.2	60.0	0.2	1.4
Government	211.3	203.6	208.7	7.7	2.6

Iowa Ag & Business Indicators

Compiled by the Iowa Development Commission

Labor Demand and Supply[1] — September, 1984

Service Areas	Individual Placements	New Applicants & Renewals	Service Areas	Individual Placements	New Applicants & Renewals
Ames	417	744	Iowa City	860	1,562
Atlantic	191	422	Keokuk	192	401
Burlington	588	1,199	Marshalltown	374	776
Carroll	941	512	Mason City	1,068	1,565
Cedar Rapids	1,733	2,951	Muscatine	67	445
Centerville	162	201	Newton	168	786
Charles City	44	59	Oskaloosa	255	282
Clinton	168	884	Ottumwa	936	1,323
Council Bluffs	NA	NA	Sheldon	85	207
Creston	71	372	Shenandoah	109	476
Davenport	1,158	2,604	Sioux City	629	1,580
Decorah	108	243	Spencer	329	593
Des Moines	1,626	3,391	Storm Lake	122	348
Dubuque	402	1,393	Waterloo	943	1,772
Fairfield	187	409	Webster City	270	230
Fort Dodge	641	992			
Fort Madison	134	334	Statewide	15,655	28,943

[1]All new applicants and job openings listed with Iowa Department of Job Service

U.S. Consumer Price Index

	Sept. 1984	Sept. 1983
All Urban Consumers (1967 = 100)	314.5	301.8

U.S. Composite Construction Cost Index

	August 1984	August 1983
U.S. Composite Construction Cost Index (1977 = 100)	163.2	158.4

Business Data

	9/84	9/83	9 mos./84	9 mos./83
New Car Registrations	7,734	7,059	67,222	67,943
Iowa Savings & Loan ($000,000)				
Total Loans Closed	40.6	54.3	502.0	381.9
Savings	49.5	54.1	254.1	648.0
Work Force (000)	1,360.1	1,366.8	1,357.3	1,362.8
Unemployment	54.8	61.2	68.6	89.3
Rate (% of work force)	4.0	4.5	5.1	6.6
Employment	1,305.3	1,305.5	1,288.6	1,273.5

Value of New Dwellings[1] ($000)

	10/84	10/83	10 mos./84	10 mos./83
Ames	$ 356.9	$ 130.0	$ 5,214.4	$ 5,346.0
Bettendorf	838.8	704.8	8,040.1	7,172.9
Burlington	154.0	666.6	1,147.0	1,791.3
Cedar Falls	86.8	134.7	1,494.3	1,469.1
Cedar Rapids	717.9	264.4	4,597.7	1,638.8
Clinton	0	0	345.0	1,069.5
Council Bluffs	369.0	511.8	6,162.0	2,768.6
Davenport	774.5	1,276.1	8,313.1	7,723.4
Des Moines	2,293.1	3,281.4	25,896.6	11,289.8
Dubuque	357.8	142.2	2,031.3	1,112.5
Fort Dodge	190.0	239.0	4,942.5	1,209.3
Iowa City	1,297.1	3,038.1	15,902.8	28,553.4
Keokuk	33.0	60.0	608.0	355.0
Marion	59.5	147.6	1,251.4	865.7
Marshalltown	198.0	54.0	666.0	1,239.0
Mason City	237.0	598.2	4,210.8	3,006.3
Muscatine	0	128.0	1,119.0	5,681.4
Newton	0	0	335.8	240.0
Ottumwa	0	0	470.6	520.0
Sioux City	183.9	495.9	2,036.5	2,084.3
Urbandale	1,127.7	904.8	14,416.7	6,341.7
Waterloo	0	296.9	1,190.8	2,432.5
W. Des Moines	8,581.3	2,439.0	31,011.0	14,458.5
Total	**$ 17,856.3**	**$ 15,513.5**	**$ 141,403.4**	**$ 108,369.0**

[1]Single, two-family and multiple residential dwellings, based on housing permits issued.

Leading States for Farm Marketing ($ Mil.)

	Total		Crops		Livestock & Products	
	8 mos./84	8 mos./83	8 mos./84	8 mos./83	8 mos./84	8 mos./83
U.S.	82,408.4	86,058.8	35,376.5	40,207.1	47,032.0	45,851.6
Iowa	**5,373.4**	**6,567.3**	**2,003.8**	**2,895.8**	**3,369.6**	**3,671.5**
California	7,564.6	7,296.4	4,594.4	4,535.4	2,970.3	2,761.0
Texas	6,089.3	5,832.0	1,925.2	2,213.8	4,164.1	3,618.2
Illinois	4,537.8	5,931.2	3,068.5	4,374.1	1,469.4	1,557.2
Kansas	4,117.4	3,994.3	1,471.0	1,565.4	2,646.4	2,428.9
Nebraska	3,743.9	4,267.8	948.7	1,462.0	2,795.1	2,805.8
Minnesota	3,468.0	4,031.4	1,348.0	1,811.1	2,120.0	2,220.2
Wisconsin	3,301.2	3,449.5	566.7	633.8	2,734.5	2,815.7
Florida	3,094.5	3,173.3	2,436.1	2,520.5	658.3	652.8

Personal Income Quarterly Periods

	1984		1983	
	I	II	I	II
Personal Income ($000,000)	35,079	34,515	30,722	30,470

Stock Index

	Iowa*	Dow Jones Industrial
August, 1984	210.76	1,224.38
September, 1984	214.98	1,206.71
October, 1984	211.71	1,207.38

*Robert C. Westlund, Piper, Jaffray & Hopwood, Inc. (1967 = 100)

Average Price Received by Farmers

	10/84	9/84	10/83
Corn, bu.	$ 2.60	$ 2.84	$ 3.06
Soybeans, bu.	5.93	6.06	7.87
Oats, bu.	1.75	1.96	1.88
Hogs, cwt.	43.40	46.30	40.20
Beef cattle, cwt.	53.30	54.30	52.90
Calves	57.20	57.20	53.60
Milk (whls), cwt.	13.40	13.10	13.50
Sheep, cwt.	14.20	15.90	15.10
Lambs, cwt.	64.00	62.70	53.40
Eggs (market), doz.	.37	.43	.55
All hay, ton baled	57.00	55.00	72.00
Turkeys, lb.	.48	.46	.41

Average Price Paid by Farmers

	10/15/84	10/15/83
Beef cattle concentrated, 32-36%	$ 11.80	$ 14.40
Hog feed, 38-42% protein	13.00	16.60
Soybean meal, 44% protein	10.00	15.50
Dairy feed, 16% protein	176.00	210.00
Poultry feed, layer ration	198.00	196.00

Commodity Feed Price Ratios

	10/15/84	10/15/83
Hog — corn[1]	16.7	13.1
Beef cattle — corn[1]	20.5	17.3
Egg — feed[2]	4.3	6.0
Milk — feed[3]	1.52	1.29

[1]Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.
[2]Pounds of laying feed equal in value to 12 eggs.
[3]Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Iowa events make ABA's "Top 100"

Midwest Old Settlers and Threshers Reunion in Mount Pleasant and the National Hot Air Balloon Championships in Indianola have been named to the "Top 100 Events in North America for 1985" by the American Bus Association.

"This designation gives the two Iowa events a strong, national marketing effort from the ABA in 1985 as well as adding to their prestige," said Paul Comer, Visitors and Tourism section manager of the Iowa Development Commission.

Each year's "Top 100" selections by the ABA are heavily promoted as choice designations for motorcoach tour groups. This, in effect, can be a boom to the local economy where the event is being hosted. It is estimated that the impact on the economy from an overnight stay by passengers on a fully loaded tour bus is from $2,500 to $3,500.

Motorcoaches have been a key part of the increased tourism in Iowa last summer at Boone and in Mississippi River cities such as Dubuque, Bettendorf and Davenport. Such tours are popular with couples over 50 years of age, a key segment of travelers in the Iowa Development Commission's marketing plan.

The ABA "Top 100" designations are based on nominations made by state and provincial travel directors to the United States and Canada. The 1985 list features events in 46 states, the District of Columbia and seven Canadian provinces.

Free publicity for your company

Business & Industry Magazine, an industrial/manufacturing publication covering Iowa, Minnesota and Nebraska, will publish, free of charge, news releases about your company on a space available basis. The magazine is primarily interested in new plant locations, expansions and general news. The magazine does not use new product releases. Send your company news to: Business & Industry Magazine, 1200 35th Street, Suite 300, West Des Moines, Iowa 50265.

Machine exports to Japan

The Chicago office of the Japan External Trade Organization (JETRO) has supplied the Iowa Development Commission with a supply of machine exporters questionnaires.

The information provided by Iowa manufacturers in this questionnaire will be distributed via JETRO headquarters in Tokyo to Japanese machinery importers so that these importers can contact Iowa manufacturers directly.

This can be an excellent and inexpensive way for an Iowa machinery manufacturer to test the market potential in Japan. If you are interested in completing a questionnaire with JETRO, contact the International Section of the Iowa Development Commission at 515/281-3138.

Proliferation of development efforts

Responding to growing concern about the proliferation of economic development efforts by public and private agencies, the staff of the Iowa Development Commission has completed an inventory that identifies 78 public offices or agencies, as well as private groups, currently involved or professing to be involved in economic development. IDC Commissioners have asked that the inventory be passed along to the Legislature with a recommendation on consolidation or coordination that would ensure a focus to the state's efforts. IDC Director Jack Bailey pointed out that states that are Iowa's major competitors have been simplifying their internal structures to deal promptly and efficiently with prospective businesses.

Available Buildings

This is not a complete list of all buildings available in Iowa. For further information, please call 515-281-3251.

SQUARE FOOTAGE	COMMUNITY	FORMER USE
10,000	Charles City	Spec Building
12,000	Sioux City	Spec Building
12,500	Cherokee	Spec Building
14,163	Charles City	Industrial
14,794	Adel	Industrial
15,760	Missouri Valley	Light Manufacturing
17,600	Carroll	Industrial
20,000	Clinton	Spec Building
20,000	Maquoketa	Spec Building
21,000	Corning	Spec Building
21,205	Oskaloosa	Spec Building
21,379	Waterloo	Commercial
22,280	Humboldt	Industrial
22,500	Red Oak	Spec Building
23,000	Waverly	Spec Building
26,850	Algona	Light Manufacturing
29,790	Mount Pleasant	Industrial
32,580	Sioux City	Light Manufacturing
33,500	Des Moines	Industrial
35,000	Waukon	Warehouse
35,340	DeWitt	Manufacturing
40,000	Creston	Spec Building
44,348	Osceola	Manufacturing
47,596	Boone	Heavy Industrial
49,500	Audubon	Industrial
54,080	Oskaloosa	Industrial
59,512	Denison	Manufacturing
63,408	Bondurant	Industrial
66,708	Johnston	Warehouse
70,766	Forest City	Manufacturing
72,000	Davenport	Light Industrial
85,000	Burlington	Heavy Manufacturing
90,000	Fort Dodge	Manufacturing
108,000	Waterloo	Heavy Industrial
108,694	Cedar Rapids	Light Industrial
120,500	Boone	Manufacturing
121,500	Sioux City	Heavy Industrial
159,336	Mason City	Manufacturing
169,000	Red Oak	Manufacturing
194,400	Centerville	Heavy Industrial
285,000	Maquoketa	Industrial

Iowa DEVELOPMENT COMMISSION

IDC DIGEST
Jan. 1985 Vol. XIII-No. 1

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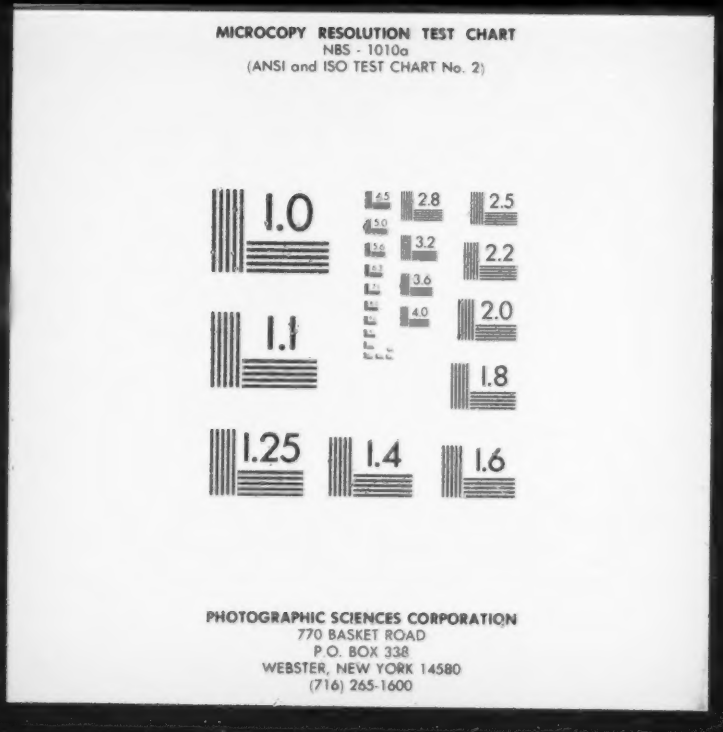
NASDA International Trade Specialist Training Program

February 28-March 1, 1985
Granada Royale Hometel
Phoenix, Arizona

The NASDA International Trade Specialist Training Program, presented in cooperation with the American Graduate School of International Management (AGSIM), is designed specifically for trade development staff in both public and private sector organizations that assist exporters. The intensive five-day course reviews export techniques and concentrates on developing assistance and counseling skills by utilizing public and private sector practitioners as instructors. Lecturers for the course are drawn from the AGSIM faculty, their visiting lecturers and NASDA members. Case studies prepared by NASDA members and AGSIM will be distributed and discussed, as an integral part of the coursework. Topics to be covered include:

- Introduction to International Trade in the Context of Economic Development
- How State Governments Promote Trade
- Emerging Issues in State Trade Development Initiatives
- The Export Transaction
- Export Players: Freight Forwarders, Custom Brokers, International Bankers, Marine Insurance Underwriters
- Money Paperwork: Pro-Forma Invoice, Commercial Invoice, Credit Considerations, Letters of Credit, Documentary Drafts, Banker's Acceptances
- Financing Export Transactions: The Export-Import Bank, Private Export Funding Corporation, Commercial Bank Arrangement, F.C.I.A.
- Alternatives to Market Entry
- Tariff and Non-Tariff Barriers
- Organizing for Export Operations
- Agent/Distributor Networks
- Business Practices and Cross-Cultural Problems
- Developing Trade Leads Overseas
- Usefulness of Trade Missions and Trade Shows

For more information about the NASDA International Trade Specialist Training Program, contact Judith Katz or Deborah Culbertson at NASDA, 444 North Capitol Street, NW, Suite 526, Washington, D.C. 20001; or call 202/624-5411.



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Washington, D.C.

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Digest

Iowa
DEVELOPMENT
COMMISSION

February 1985

A Cure for Iowa Winters

Industrial Expansions

DEKALB-PFIZER GENETICS
reopening Humboldt plant

DeKalb-Pfizer Genetics, as part of a long-term company expansion program, announced that the DeKalb seed corn plant in Humboldt will be reopened this spring as a full scale seed corn bagging and distribution facility.

The plant, which was closed in April 1983, will employ 13 full-time workers in addition to the manager, assistant manager and a secretary. In addition, the plant will employ an estimated 1,000 part-time detasslers during the summer and will be contracting truck drivers, all of which is expected to pump some $2 million into the Humboldt County economy.

Traer Manufacturing
expanding facilities

Traer Manufacturing of Traer, a supplier for General Motors, has recently completed a 10,000-square-foot addition to their existing 50,000-square-foot building in order to accommodate the additional integral presses that have been added to meet the requirements of several new contracts. Currently, the plant employs 45 people, with plans to increase their staff once the new presses are in place and the new projects begin.

EXCELLENCE IN CABINETRY FIELDSTONE
expands Northwood plant

Fieldstone Cabinetry Inc. has recently completed a 37,000-square-foot to their existing structure in Northwood. This brings the total plant size to just over 71,000-square-feet. The increased facility has the capability of producing 150 cabinets a day. A present employment of 80 could eventually burgeon to 160.

Schleswig Specialty Meats, Inc.
adds 3,000-square-feet

Schleswig Specialty Meats, Inc. of Schleswig will add 3,000-square-feet to their facility to accommodate the production of more than one type of sausage at any given time. The expansion will provide for six to ten additional employees. Currently, the plant employs 20.

CHEM-TECH, LTD.
relocates to Pleasantville

Chem-Tech, Ltd. has recently relocated its plant at the 10-X Building in Pleasantville. Chem-Tech produces pesticides that are marketed to the dairy industry and for other agricultural uses, as well as products for home and commercial use. About 20 local people have been hired, and during the summer season, the company may increase their employees to as many as 32.

DES MOINES COLD STORAGE CO., INC.
opens division in Mason City

Mason City Cold Storage, a division of Des Moines Cold Storage Co., Inc., will be the new occupant in the former Northwest By-Products plant in Mason City. The company will have freezer and cooler storage for meat, turkeys, butter and frozen foods. Although the firm will initially hire four or five people, Edward C. Muelhaupt of Des Moines states, "We hope to eventually hire between 15 and 20 people. It depends how the business goes."

Currently, the 50,000-square-foot plant is undergoing renovation, with the first 25,000-square-feet nearly completed. The rest of the building will be leased to other companies.

Wells
moves into Manning

Wells Manufacturing Corp., a Wisconsin manufacturer of automotive ignition parts, is leasing 16,000-square-feet of space in the former L.R. Nelson Corp. building in Manning to produce the High Energy Ignition Coil for General Motors and Ford. Although only about 12 persons will be hired initially, expansion plans are looking at the feasibility of adding a second and third shift which could result in as many as 100 additional employees.

Glenn & Company
opens Onawa business

Glenn & Company, a new Onawa business, is manufacturing wood products, specializing in waterbed frames and headboards. When in full production, the concern will employ up to eight full and part-time employees. In addition to establishing a wholesale market, the firm maintains a local sales office, stocking a complete line of waterbed accessories.

SOMA CORPORATION
— a new business in Cresco

The newly formed Soma Corporation recently established an assembly and shipping facility at Cresco in order to manufacture a unique hi-tech product. The firm holds the exclusive rights to the marketing and assembly of a CRT screen shield that effectively blocks 99 percent of ultraviolet light and x-ray radiation from reaching computer and word processor operators. It also neutralizes 99 percent of the positive ions propelled from the tube's surface, eliminates glare and reduces reflection.

Currently, the firm employs four assemblers. However, this number is expected to increase as business increases.

Snowmobiling—a cure for "cabin fever"

One of the most popular cures in Iowa for those wintertime "cabin fever blues" is snowmobiling. According to Bob Walker of the Iowa Conservation Commission, "many people would be surprised to find out that Iowa ranks fifth of 50 states in the number of registered snowmobiles. This large interest has led to one of the larger snowmobile trail programs in the United States."

Iowa's nearly 4,000 miles of groomed snowmobile trails are primarily located in a fan-shaped area from Des Moines to the northwest and northeast portions of the state. And, local snowmobile clubs, county conservation boards and the Iowa Conservation Commission are continuously working to expand this network.

In Iowa, snowmobile owners must register their machines with the county recorder biennially, paying a $12 fee for a two-year period. The registration fee is placed in a state snowmobile fund which is administered by the Iowa Conservation Commission and is used to develop and maintain snowmobile trails.

The majority of the trail system in Iowa is found in the ditches adjoining state and county roadways. According to the Conservation Commission, "development includes the construction of bridges to cross ravines and wet areas; gates to allow passage through private fences to gain access to the 20 percent of the trails that are on private lands through lease agreements; and the clearing of dangerous obstacles found in trail paths."

Along with state and county conservation efforts, the Iowa State Snowmobile Association works in trying to get laws changed and new laws passed to help and make for better and safer snowmobiling. The Association also publishes the *Iowa Snowmobiler* to keep members apprised of recent developments and upcoming events, festivals and races.

In addition, the Association is the sponsor of the Trans Iowa Snowmobile Ride. The ride — scheduled this year for late January, but was cancelled due to the lack of snow — was scheduled to begin in Farmersburg in Northeast Iowa and conclude four days later in Oak Grove Park in Northwest Iowa. "Although the weather didn't cooperate with us this year," states Dan Martin, president of the Association, "we will try again next year to have the first Trans Iowa Snowmobile Ride."

Even though there has been a lack of snow in some portions of the state this year, other areas have had enough snow to provide enjoyment for the snowmobile enthusiast. For information about which trails are open and their conditions, contact Bob Walker, snowmobile trail administrator at the Iowa Conservation Commission, at 515/281-5148.

Legislative Update

The Iowa Development Commission has approved these additional policy statements (See January issue of *Digest* for other policy statements) pertaining to the 1985 legislative session. Legislative action on these proposals would aid the IDC's marketing efforts and provide a more inviting business climate. If you have any questions or comments, contact Linda King Kading, government and internal affairs manager of the IDC.

Utility rate incentives

Background — Last January, the IDC approved a resolution urging the Legislature to allow discounted electric utility rates as an economic development tool. While the proposal was debated in the Legislature, it did not pass both houses. Since then, the Iowa Commerce Commission staff has released a report declaring that the Iowa Public Service pilot project has not been successful and recommending that it be ended. The Commerce Commission has decided to continue the pilot project pending further reviews. Iowa Power requested approval of a utility rate incentive proposal but was turned down by the Commerce Commission. Also, the gas industry has expressed interest in being included in any legislation enabling the Commerce Commission to approve rate incentives.

Resolution previously adopted by IDC (January 1984) — Notwithstanding the provisions of Section 476.5, the Commerce Commission may approve electric rates, charges and schedules which provide discounts to industrial and commercial customers if the commission finds all of the following: a) in the past year the utilities have had excess generating capacity; b) a reasonable need for new employment opportunities; c) the discount rate is reasonably designed to attract new business or expand existing production and employment; and d) other customers will not experience an unreasonable increase in rates. The discount rates shall phase out within five years of implementation.

Proposed substitute resolution — The IDC supports legislative action which would allow the Commerce Commission to approve electric and natural gas discounted rates to industrial and commercial customers for economic development.

Economic development levy

Background — Statutory limits on the local tax rates restrict the amount which local governments can raise to finance their operations. A special levy for economic development will allow cities and counties to levy funds to encourage industrial and economic growth.

Resolution — Cities and counties should be allowed to levy an additional property tax for the operation of an economic development commission, or a public or private organization designated to carry out economic development functions and projects on behalf of the governmental unit, to encourage industrial and economic growth.

Office/research space property tax exemption

Background — The statutes currently allow local governments to provide a five-year partial property tax exemption for new industrial real estate, warehouses and distribution centers. This resolution would expand that exemption to include office and research real estate to assist the expanding service industries.

Resolution — The partial property tax abatement provided in Chapter 427B should be expanded to include office and research real estate.

Delay partial property tax exemption on speculative buildings

Background — Chapter 427B provides for a five-year partial property tax exemption for industrial property, warehouses and distribution centers. In some instances where the building is built by a developer for speculative purposes, it may be beneficial for the developer to delay the exemption so that it can be included in a financing package to the buyer. The resolution would allow the exemption to be delayed for up to three years.

Resolution — Chapter 427B should be amended to allow the period of the partial property tax exemption to begin when the building is occupied by the tenant up to three years after construction.

Port authority

Background — Last session, the IDC and the Governor proposed enabling legislation to allow for the establishment of port authorities in Iowa. While most port authorities are located in areas with substantial commercial waterway activity, it was felt that the concept might be adapted to assist with Iowa's economic development efforts and transportation cost problems. Several meetings were held between staff at the IDC, Department of Transportation, Department of Revenue and the Governor's office to examine the mechanics of an Iowa port authority system. It was decided the subject is very complex with many implications and that, if anything, a formal task force should be established to determine the best course of action.

Policy statement — The IDC is interested in the possibility of

establishing port authorities in Iowa as a means of advancing economic development. The IDC encourages and offers assistance to any efforts by the Governor, Legislature, other state agencies or private organizations to develop port authorities.

Coordination of economic development efforts

Background — The importance of economic development has resulted in an expansion of various economic development efforts. Several groups, including the Legislature, have expressed concern that as the number of programs and entities involved has grown, coordination of these efforts has become more difficult. A recent inventory prepared by the IDC Research and Development Group indicates that there are at least 78 public and private entities involved with economic development to some extent. This indicates the possibility of confusion to businesses and individuals seeking economic development assistance and perhaps duplication of services.

Policy statement — A recent inventory prepared by the IDC staff indicates that there are at least 78 entities involved with economic development. While the IDC is supportive of economic development efforts by various organizations, these efforts should be coordinated to achieve the maximum benefit for the state. The IDC is supportive of efforts by the Governor and the Legislature to examine the better coordination of economic development efforts and offers its assistance.

New ag research grants awarded by the Iowa High Tech Council

Three grants totaling $118,591 have been awarded by the Iowa High Technology Council, which provides state funds for research with the potential to improve agriculture and create jobs.

A grant of $35,986 was approved for Dr. William J. Owen of Iowa State University to develop a computer data base to help keep track of diseases in Iowa's livestock industry and analyze them. Dr. Owen has found indications that farmers spend more on vaccines and feed additives than animal losses justify and the project would generate information that could lead to cost savings.

Dr. Earl Hammond and another ISU researcher are working with Kemin Industries of Des Moines on a cheaper way to produce propionic acid, now used as a preservative in bread. Lower production costs would allow the use of propionic acid as a grain preservative. The High Tech Council awarded $45,157 for this research project.

Grain Processing Corporation of Muscatine and Dr. Robert F. Andrews, Jr., of ISU are investigating ways to increase the efficiency of an enzyme used in grain processing which would lower production costs for ethanol, corn syrup and other wet milling products. Support from the council totals $37,448.

Since putting out a call for new proposals for the $1 million it will award as grants to educational institutions for research that provides economic benefits to industry, business or agriculture, the Iowa High Technology Council has received 48 proposals.

Nurturing the arts

The Iowa Arts Council is offering a low-cost program to help small Iowa communities nurture the arts. Called the Touring Arts Team (TAT), the program provides towns of 1,500 population or less with two days of workshops conducted by professional musicians, visual artists, actors and writers.

Each summer, TAT visits approximately 15 Iowa communities, working with citizens of all ages in a variety of art forms. The program was initiated in 1977 and has served 102 different Iowa towns in 64 counties. In many of these towns, the team has been the start of local theatre groups, reading clubs and other ongoing arts activities.

Application deadline for the 1985 Summer program is March 31. For more information and application forms, contact Carolyn Truslow, education coordinator for the Iowa Arts Council, at 515/281-8350.

Iowa's voice in Europe

Every Iowa manufacturer has a sales representative in Europe, and that person is Paul Wagner, director of the Iowa Development Commission's European Office located in Frankfurt, West Germany.

During a recent trip to Iowa, Wagner talked about the activities of the European Office, and how companies can utilize their services.

According to Wagner, the European Office concentrates its activities in two major areas — encouraging joint ventures and foreign investments in Iowa and assisting Iowa manufacturers to initiate and/or expand their export programs.

"The average European prospect," states Wagner. "is looking for an American product or business. Whether that product or business is located in Iowa or some other state really isn't that important."

Wagner and his associate, Christina Van der plas-Nau, establish and maintain contacts with exporting agents and business representatives throughout Europe. "It is very important for us to establish and maintain personal contact with these business representatives," states Wagner. "In Europe, the personal approach is very important, and it provides us with the opportunity to create an awareness of Iowa and its products."

Prime European marketing tool is the trade show. As Wagner states it, "Especially in the area of food processing, it is vital to be represented at the major trade shows. In fact, one cannot afford to be left out." For example, at the SIAL show in Paris last June, over 63 countries were represented, while over 193,000 buyers attended.

Jack Bailey, director of the IDC, concurs, "In five days at a major exhibit, you can make the contacts that would require a year using the conventional American method of individual calls."

The strength of the dollar over the last several years has had an adverse affect on Iowa trade exports. However, it may help in the area of foreign investment. As stated in a recent article in the *Cedar Rapids Gazette,* "The United States is considered a 'safe haven' with no (violent) political upheaval. That, coupled with high investment returns, encourages foreign investment within the borders of the United States, which puts more money into circulation. It may also have kept interest rates lower than they might have been without foreign investments."

"Most medium-sized firms in Europe," states Wagner, "need to find partners or consider a joint venture in order to invest in American products or businesses. Our job is to make contacts with these firms and assist them to find Iowa companies that are interested in the same thing."

Larger firms have the ability to make their investments on their own. "I keep in contact with those firms in Europe that have the capability to make foreign investments to keep them apprised of the investment opportunities in Iowa." This type of opportunity was recently realized with the acquisition of the Souvenir Group in Cedar Rapids by Bemrose of Derby, England. According to Robert E. Yaw, a consultant involved in the negotiations, Paul Wagner's "guidance and counsel was of invaluable help in my negotiations with Bemrose, and it will be of continuing importance to my successors because of our involvement in the UK and Western Europe will be compounded."

Iowa companies interested in establishing a trade program and/or investigating opportunities in the area of joint venture should contact the International Division of the IDC's Marketing Group, and this information will be forwarded to Paul Wagner at our European Office.

International business leads

Call 515/281-3581 for more information

Ultrasonics — A German firm is looking for a partner with a strong marketing department, or an interest in establishing one, for the distribution of its ultrasonic cleaning, welding and drilling machines. The cooperation would evolve into manufacture of the ultrasonic machinery under license. *(G123-0336L)*

Packaging — A French engineering company that specializes in designing and developing machinery for the packaging industry is seeking to license the manufacturing rights for

both the machinery and the plastic-packaging products developed and patented by the firm. The products line consists of thermo-forming and thermo-sealing machines used extensively in pharmaceuticals, food processing and home appliances. Also available for licensing is a newly-developed, highly-effective ice-cube tray for intensive use. *(F23-2730L)*

Relays — A German manufacturer of electronic relays and controls is seeking a U.S. distributorship for its products. Cooperation would eventually evolve into a joint venture to manufacture the products directly in the United States. The German firm was established in 1961 and employs about 100 workers. *(G53-4236J)*

Packing material — A Spanish company is interested in pursuing a joint venture or licensing agreement with a U.S. firm. The Spanish company is a manufacturer of laminated flexible packing material used extensively in meat packing, as well as in the medical field. *(E74-3030JL)*

Automotive parts — A French forging company is looking for a joint venture or financial participation with a similar U.S. company. The French company produces hot and cold forged parts for the automotive market with highly automated processes. The company employs 800 people and lists sales of over $100 million. *(F74-3134JA)*

Locking system — A French company is seeking to entertain a licensing agreement or a joint venture with a U.S. firm. The French firm is offering the patented technology of their integral peripheral locking system for closures. The system, while unique and simple, is highly effective in preventing break-ins. *(F74-3234JL)*

Highway maintenance equipment — A French firm is seeking a joint venture partner who could distribute and manufacture products for highway maintenance, including any level mowing and brush-cutting tasks. All equipment works by flailing methods. The French company presently employs 150 people. *(F74-3335J)*

Water flow controls — A German manufacturer of water flow controls and leak suppression devices is seeking distributors for its products. The cooperation with a U.S. firm eventually would evolve into assembly and manufacturing. *(G113-8034J)*

Safes, vaults — A Swiss manufacturer of safes, vaults and other banking installations is interested in cooperating with a U.S. firm for exchange of technology and possibly a joint venture. *(CH113-8134J)*

Pipelines — An Austrian company is interested in a joint venture with an Iowa business. The Austrian company has developed a new method of controlling water pipeline systems. The product features an electronic meter installed in a van that detects and measures leaks in community water supply systems. *(A103-7738J)*

Coupling wheels — An Austrian firm is interested in finding an Iowa company to market, or produce under license, its special coupling wheel for tractors. The company has sales rights in the U.S. for the coupling. The wheels can be attached by one person on soft ground. *(A103-7835L)*

Kitchens — A leading German kitchen-furniture manufacturer is looking for kitchen specialists to act as importers and distributors. Future cooperation likely will involve final assembly. *(G113-8224J)*

Nozzles — A German firm is seeking a U.S. licensee for production of nozzles that disperse liquids with or without solid contents, and for production of atmospheric evaporators of liquid carbon dioxide. *(G113-8434L)*

Hoists — A Swedish manufacturer of hoists for materials and personnel is seeking a joint venture partner. The firm lists sales of $4 million and is looking for adequate distribution of its line. *(S113-8535J)*

Plastic machinery — A well-reputed German firm is interested in finding a suitable U.S. partner for the development and production of plastic thermoforming machinery. The German firm was established in 1971, has 60 employees and lists annual sales of $4 million. The German firm will provide the know-how and capital. *(G123-0130J)*

Luminous road and advertising panels — A French company is seeking a partner for a joint venture or licensing agreement for the manufacturing and marketing of large size luminous road and advertising panels including their patented wind-resistant fixed-message blade panels. The firm was established in 1958. *(F123-0739JL)*

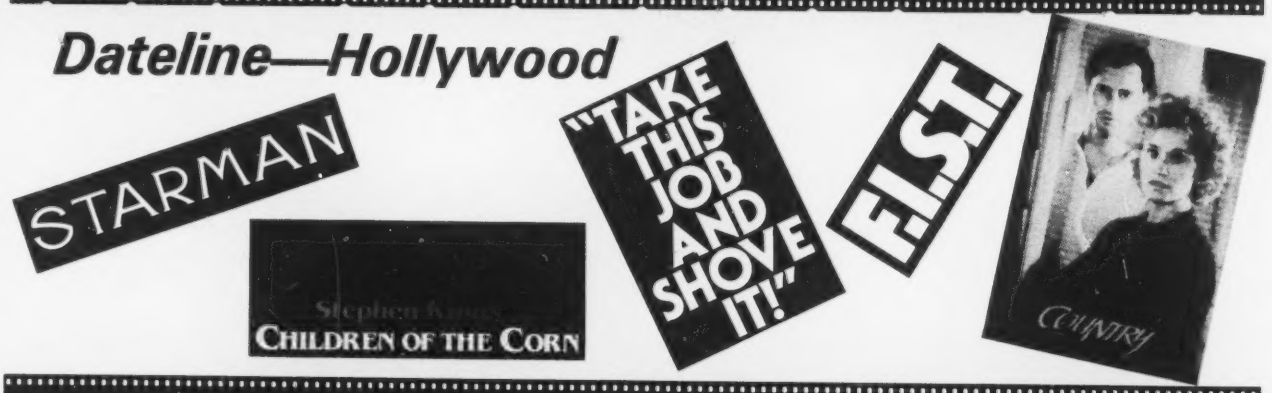
Aluminum flight cases — A Danish firm is looking for a joint venture partner to manufacture and distribute their aluminum flight cases which are impact resistant and can be adapted to custom-made needs. *(DK123-0931D)*

Plastic tools, molds and dies — A German manufacturer of sophisticated production molds, tools and dies for the plastic industry is seeking a joint venture partner. The company was founded in 1968 and has 35 employees. *(G24-1235JL)*

Ring binders — A German manufacturer of ring binders is interested in entertaining a joint venture with a U.S. firm. The binding wire is plastic coated. Also available are their laminating machines. *(G44-1928J)*

Concrete paving blocks — An Austrian firm is seeking a suitable joint venture partner for the manufacturing and distribution of concrete paving blocks for roadways, parking lots and sidewalks. The blocks are made in different shapes and colors to accommodate any landscaping requirements. *(A44-1832D)*

Dateline—Hollywood



Rumor has it that the motion picture industry is moving out of Hollywood. And, according to a recent survey conducted by the Iowa Development Commission's Film Office, at least 47 states, as well as the Virgin Islands, are gearing up to lure some of that business their way.

Why is "Hollywood" spreading out? Economics. Movie studios and film producers are finding that location shooting is no longer more expensive than studio work. For this reason, production companies are using outside resources, such as state agencies, to help them find locations that meet the filmmaker's needs.

The result — everybody is trying to grab a piece of California's movie industry. In fact, according to a study by the Los Angeles Film Development Commission as reported in the December 10, 1984 issue of *Time* magazine, the state of California has lost $1.6 billion to other states between 1979 and 1982. Since filmmaking is a lucrative, non-polluting and glamorous business, other states are aggressively marketing themselves to capture some of those "Hollywood" dollars.

In Iowa, motion picture activity has been restricted to six major box office productions within the past eight years, plus numerous productions of television commercials. However, Iowa's assets as a potential film location has made an impact on those in the business, and interest, as well as contacts from production companies, has zoomed over the past two years.

Recent activity includes the filming of scenes for the science fiction film, "Starman." Released in late 1984, the film used locations in six different states, including scenes filmed near Iowa City last June. Consequently, the Iowa Film Office received a location assistance credit in the movie.

This type of film credit was also garnered for assisting the production crew during the filming of "Country." The film, which premiered at the New York Film Festival last fall, has presently earned $8 million nationally in box office returns. In addition, "Country" has established itself as the first in a trend of motion pictures with similar messages, and possibilities exist for several Academy Award nominations. In Iowa, the communities surrounding the film location (Cedar Falls/Waterloo) are still feeling the impact from the $3.2 million pumped into their communities.

And, now tentative plans have been revealed to film a feature length motion picture in the Muscatine/Davenport areas during the Summer of 1985. According to Wayne Brouhard, producer of the film, "The film, "Summer Kill," is budgeted at nearly $1.5 million. At this time, we figure that we will hire nearly 150 people locally during the production."

"Iowa's experience in the motion picture business has been rewarding and profitable," states Wendol Jarvis, film manager of the Iowa Film Office. "While it is true that the economic benefits derived from the production of a film are relatively short-term in comparison to the establishment of a new manufacturing plant, these benefits are nevertheless considerable and sizable enough not to be ignored. Furthermore, the publicity garnered from such an endeavor is also worth something."

Today, Iowa finds itself in an enviable position . . . that of being a leading location for the shooting of farm-related product commercials for television. These productions add several million dollars into the Iowa economy annually. It is a relationship that Iowa has nurtured over many years, but it is now being threatened by the aggressive promotional efforts of other midwestern states with rural locations.

The recent establishment of the Iowa Film Office should help Iowa maintain its share of the film and videotape market, and perhaps expand on it. The Film Office will sell Iowa's assets — its beautiful locations — its outstanding and efficient business and industry — its productive and friendly people. The results — a positive economic impact in the form of more jobs, more revenue and positive exposure for the state as a whole.

Iowa Ag & Business Indicators

Compiled by the Iowa Development Commission

Labor Demand and Supply[1] — November, 1984

Service Areas	Individual Placements	New Applicants & Renewals	Service Areas	Individual Placements	New Applicants & Renewals
Ames	172	368	Iowa City	169	974
Atlantic	84	252	Keokuk	66	262
Burlington	203	846	Marshalltown	104	404
Carroll	19	173	Mason City	275	778
Cedar Rapids	485	1,918	Muscatine	34	461
Centerville	30	287	Newton	120	552
Charles City	4	10	Oskaloosa	13	256
Clinton	159	722	Ottumwa	105	798
Council Bluffs	773	1,463	Sheldon	40	142
Creston	24	172	Shenandoah	26	161
Davenport	531	2,393	Sioux City	516	1,733
Decorah	15	135	Spencer	45	288
Des Moines	1,074	3,126	Storm Lake	45	219
Dubuque	238	1,393	Waterloo	190	1,265
Fairfield	39	221	Webster City	237	163
Fort Dodge	288	713			
Fort Madison	89	312	STATEWIDE	5,528	16,941

[1]All new applicants and job openings listed with Iowa Department of Job Service

U.S. Consumer Price Index

	Oct. 1984	Oct. 1983
All Urban Consumers (1967 = 100)	315.3	302.6

U.S. Composite Construction Cost Index

	August 1984	August 1983
U.S. Composite Construction Cost Index (1977 = 100)	163.2	158.4

Business Data

	10/84	10/83	10 mos./84	10 mos./83
New Car Registrations	8,680	8,228	75,902	76,171
Iowa Savings & Loan ($000,000)				
Total Loans Closed	49.9	44.3	551.8	426.2
Savings	37.2	8.7	291.3	656.7
Work Force (000)	1,376.0	1,377.8	1,376.0	1,363.7
Unemployment	56.1	60.5	67.4	86.5
Rate (% of work force)	4.1	4.4	5.0	6.4
Employment	1,320.0	1,317.2	1,291.8	1,277.1

Value of New Dwellings[1] ($000)

	11/84	11/83	11 mos./84	11 mos./83
Ames	$ 428.0	$ 1,330.0	$ 5,642.4	$ 6,676.0
Bettendorf	595.5	497.1	8,635.6	7,670.0
Burlington	0	0	1,147.0	1,791.3
Cedar Falls	84.3	148.1	1,578.6	1,617.2
Cedar Rapids	330.0	401.3	4,927.7	2,040.1
Clinton	0	120.0	345.0	1,189.5
Council Bluffs	520.0	85.9	6,682.0	2,854.5
Davenport	675.5	448.0	8,988.6	8,171.4
Des Moines	694.5	232.4	26,591.1	11,522.2
Dubuque	190.3	0	2,221.6	1,112.5
Fort Dodge	128.0	0	5,070.5	1,209.3
Iowa City	583.1	1,191.8	16,485.9	29,745.2
Keokuk	132.0	33.0	740.0	388.0
Marion	69.6	60.0	1,321.0	925.7
Marshalltown	0	850.0	666.0	2,089.0
Mason City	185.2	267.0	4,396.0	3,273.3
Muscatine	0	386.0	1,119.0	6,067.4
Newton	38.5	67.0	374.3	307.0
Ottumwa	40.0	0	510.6	520.0
Sioux City	190.9	190.6	2,227.4	2,274.9
Urbandale	5,030.1	485.6	19,446.8	6,827.3
Waterloo	0	583.6	1,190.8	3,016.1
W. Des Moines	4,105.3	993.0	35,116.3	15,451.5
Total	**$ 14,020.8**	**$ 8,370.4**	**$ 155,424.2**	**$ 116.739.4**

[1]Single, two-family and multiple residential dwellings, based on housing permits issued.

Farm Retail Price Spreads

	Sept. 1984	Sept. 1983
Beef, Choice:		
Retail price (cts./lb.)	235.2	234.7
Net carcass value (cts.)	139.3	136.1
Net farm value (cts.)	131.6	125.3
Farm-retail spread (cts.)	103.6	109.4
Pork:		
Retail price (cts./lb.)	163.6	163.9
Wholesale Value (cts.)	111.7	103.4
Net farm value (cts.)	75.0	72.4
Farm-retail spread (cts.)	88.6	91.5
Dairy Products:		
Retail cost (1967 = 100)	254.9	250.2
Farm value (1967 = 100)	259.1	263.8
Farm-retail spread (1967 = 100)	251.2	238.2
Eggs:		
Retail cost (1967 = 100)	178.6	193.3
Farm value (1967 = 100)	182.6	217.1
Farm-retail spread (1967 = 100)	172.8	158.8

Personal Income Quarterly Periods

	1984 I	1984 II	1983 I	1983 II
Personal Income ($000,000)	35,079	34,515	30,722	30,470

Stock Index

	Iowa*	Dow Jones Industrial
Sept., 1984	214.98	1,206.71
Oct., 1984	211.71	1,207.38
Nov., 1984	203.71	1,188.94

*Robert C. Westlund, Piper, Jaffray & Hopwood, Inc. (1967 = 100)

Average Price Received by Farmers

	11/84	10/84	11/83
Corn, bu.	$ 2.51	$ 2.56	$ 3.11
Soybeans, bu.	5.99	5.99	7.86
Oats, bu.	1.83	2.02	1.87
Hogs, cwt.	47.20	44.10	37.30
Beef cattle, cwt.	55.00	52.90	52.40
Calves	54.70	53.90	56.10
Milk (whls), cwt.	13.80	13.60	13.60
Sheep, cwt.	15.70	14.00	12.60
Lambs, cwt.	64.00	63.50	53.90
Eggs (market), doz.	.49	.37	.67
All hay, ton baled	59.00	57.00	70.00
Turkeys, lb.	.55	.48	.42

Average Price Paid by Farmers

	11/15/84	11/15/83
Beef cattle concentrated, 32-36%	$ 11.70	$ 14.60
Hog feed, 38-42% protein	12.80	17.00
Soybean meal, 44% protein	9.90	15.50
Dairy feed, 16% protein	170.00	220.00
Poultry feed, layer ration	190.00	205.00

Commodity Feed Price Ratios

	11/15/84	11/15/83
Hog — corn[1]	18.8	12.0
Beef cattle — corn[1]	21.9	16.8
Egg — feed[2]	5.7	6.8
Milk — feed[3]	1.62	1.24

[1]Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.
[2]Pounds of laying feed equal in value to 12 eggs.
[3]Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Quad Cities initiate economic revitalization plans

The creation of a public/private partnership for economic development was announced recently by a joint committee of Quad City area Mayors, County Board Chairmen, representatives of area Chambers of Commerce, the Bi-State Metropolitan Planning Commission and the Quad-City Development Group.

Representing a consensus among community leaders on accelerating revitalization efforts, the partnership's initial action will be to retain the Fantus Company, a nationally recognized leader in the field, to develop an action plan for economic revitalization tailored specifically to the Quad City's needs.

According to Paul Mulcahey, chairman of the Rock Island County Board and of the Bi-State Metropolitan Planning Commission, "The program should pave the way for quick results in reversing the economic trends experienced locally during the past several years and plot a course of action to re-employ area residents."

And, Mayor Peart of Davenport added that "redefining all of our roles in economic development is a necessary task. I am pleased that we are beginning that effort rapidly and that we are doing it in partnership with the private sector."

The economic revitalization action plan will take approximately four months to develop and will consist of a review and recommendations regarding the organizations currently involved in area economic development; a detailed analysis of the labor force and skill levels the community has to offer a new employer; a marketing plan; targeting of industry groups most likely to utilize the area's locational advantages; and the design of an area-wide industry retention program.

The cost of this program is estimated at $60,000. Funding will be sought locally from four sources — the respective city councils and county boards; the private sector through contributions from area business; and Iowa's SDA IX and Partners in Job Training in Illinois, the organizations which administer the Job Training Partnership Act funds in the area.

DOT offers intercity bus service

A "hometown connection" to intercity bus service is being offered in a number of smaller Iowa communities, even though intercity buses no longer stop in those communities. The service is being offered as an experimental project by the Iowa Department of Transportation in cooperation with some of Iowa's regional transit agencies and intercity bus lines.

Under the experimental program, regional transit agencies provide service from smaller communities to cities with intercity bus terminals. Thus, persons living in areas which are not on intercity bus lines can ride regional transit agencies' buses to intercity terminals, and continue their trips from there. Persons can also take advantage of packaged tours offered through this service.

The area covered by the experimental program includes portions of Appanoose, Cerro Gordo, Davis, Hancock, Lucas, Mahaska, Monroe, Polk, Story, Wapello, Warren, Wayne, Winnebago and Wright counties. Regional bus schedules are coordinated with intercity bus schedules so persons do not have to wait long periods of time at bus terminals.

For more information about bus schedules, fares or how to take advantage of this program by those individuals living in the areas served by this project, call, toll-free 1/800/445-8683.

A taste of IOWA™ slated for Kansas City

Join us at the Radisson Muehlebach Hotel in Kansas City on April 11 as Iowa food processors display their wares during the Taste of Iowa show.

"A Taste of Iowa®" provides Iowa food processing companies with the opportunity to highlight their products, deliver their sales message and feasibly enhance their marketshare of the retail, institutional and food service sectors during the amiable atmosphere that has become synonymous with "A Taste of Iowa®."

Any Iowa food processing company wishing to take advantage of this aggressive program to increase sales in the Kansas City market area should contact 515/281-8515.

Available Buildings

This is not a complete list of all buildings available in Iowa. For further information, please call 515-281-3251.

Square Footage	Community	Former Use
10,000	Charles City	Spec Building
11,760	Manson	Industrial
12,000	Sioux City	Spec Building
12,500	Cherokee	Spec Building
13,200	Ottumwa	Commercial
16,500	Adair	Industrial
17,960	Dyersville	Industrial
20,000	Clinton	Spec Building
20,000	Maquoketa	Spec Building
21,000	Corning	Spec Building
21,205	Oskaloosa	Spec Building
22,000	Mason City	Heavy Industrial
22,500	Red Oak	Spec Building
23,000	Waverly	Spec Building
23,433	Mason City	Light Industrial **(Sold)**
26,925	Mason City	Light Industrial
27,500	Muscatine	Heavy Industrial
32,580	Sioux City	Light Manufacturing
33,500	Des Moines	Industrial
35,340	DeWitt	Manufacturing
40,000	Creston	Spec Building
41,250	Marion	Heavy Industrial
44,348	Osceola	Manufacturing
47,596	Boone	Heavy Industrial
49,474	Albia	Manufacturing
54,080	Oskaloosa	Industrial
54,240	Camanche	Industrial
63,408	Bondurant	Industrial
66,708	Johnston	Warehouse
68,628	Lenox	Industrial
72,000	Davenport	Light Industrial
85,000	Burlington	Heavy Manufacturing
90,000	Fort Dodge	Manufacturing
108,000	Waterloo	Heavy Industrial
108,694	Cedar Rapids	Light Industrial
120,500	Boone	Manufacturing
137,500	Centerville	Manufacturing
160,270	Albia	Industrial
169,000	Red Oak	Manufacturing
224,702	Sioux City	Warehouse
285,000	Maquoketa	Industrial

Iowa® DEVELOPMENT COMMISSION

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Mobile Microcomputer Laboratory brings bookmobile concept to computer instruction

Iowa State University's new Mobile Microcomputer Laboratory is designed to meet the growing needs of farmers, agribusiness people and others who are interested in microcomputers, as well as to instill computer instruction component into ISU's popular off-campus Master of Agriculture degree program.

The vehicle will be available to provide instruction throughout the state — anywhere between 12 and 20 people can get together and learn more about personal computers. According to Harold Crawford, assistant dean of ISU's College of Agriculture, it is a "mobile library of hands-on computer instruction."

Because the public part of the program must be self-supporting, a fee of $5 per person per hour of instruction will be charged. In most instances, 12 to 18 hours of classroom instruction is sufficient for a quality program. Two instructors from ISU will teach the class.

Instruction will be available at three levels, ranging from a class for those who have no knowledge of microcomputers to an advanced class for those who want to learn about specialized software for their situations.

The vehicle has been outfitted with about $42,000 in computer equipment, a loan from the ISU Achievement Foundation. It has TI, IBM, Zenith, Apple and Hewlett-Packard units, plus several printers and shelves full of software to use with each computer.

For additional information about the vehicle, including reservation forms, contact the local county extension office or Harold Crawford at 515/294-8454.